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EXAMINER

WEISBERGER, RICHARD C

ART UNIT PAPER NUMBER

3624

DATE MAILED: 05/20/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/740,714

Applicant(s)

QASEM ET AL.

Examiner

Richard C Weisberger

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-25 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. ____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 3.
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: ____.

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Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-24 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claims lack a technical feature and read on a mental computation. Technology Center 3600 requires all claims to include a technical component to a non-trivial limitation.

Claim Rejections - 35 USC § 102

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

3. Claims 1-25 rejected under 35 U.S.C. 102(b) as being anticipated by Alahli US Trading Equity Fund.

The prior art teaches a method of investing with Shariah compliant stocks via a mutual fund. Inherent in this teaching is a method for screening a company for compliance to Shari'ah-based principles (MPEP, ¶ 2144.01), including a method comprising comparing a first financial ratio calculated for the company with a first permitted financial ratio and those dependent thereon. (See the prior art at Fund

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Objectives. This prima facie rejection takes Shariah principles to be an encompassing teaching for the limitations of this and subsequent screening method limitations. In support of this position, see the applicant's specification page 2, lines 9-24. See also MPEP ¶ 2131.03 (Prior art which teaches a range overlapping or touching the claimed range anticipates if the prior art range discloses the claimed range with sufficient specificity.)

For analogous reasons the following limitations are inherent in the teaching of the prior art.

The method of claim 1, wherein the first financial ratio is the ratio of the company's debt over the company's assets.

The method of claim 1, wherein the first financial ratio is the ratio of the company's debt over the company's market capitalization.

The method of claim 1, wherein the first financial ratio is the largest of the ratio of the company's debt over its assets and the ratio of the company's debt over its market capitalization.

The method of claim 1, further comprising before step c:
if the company is not rejected, rejecting the company if a reported Standard Industrial Classification code corresponds to a disapproved line of business.

The method of claim 1, further comprising before step c:
if the company is not rejected, comparing a second financial ratio calculated for the company with a second permitted financial ratio; and
rejecting the company, if the second calculated financial ratio is greater or equal than the second permitted financial ratio.

The method of claim 6, wherein the second financial ratio is the ratio of the company's accounts receivable over the company's market capitalization.

The method of claim 6, wherein the second financial ratio is the ratio of the company's accounts receivable over the company's assets.

The method of claim 6, wherein the first financial ratio is the ratio of the company's debt over the company's assets.

The method of claim 6, wherein the first financial ratio is the ratio of the company's debt over the company's market capitalization.

The method of claim 6, wherein the first financial ratio is the largest of the ratio of the company's debt over its assets and the ratio of the company's debt over its market capitalization.

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The method of claim 6, wherein the second financial ratio is the largest of the ratio of the company's accounts receivable over its assets and the ratio of the company's accounts receivable over its market capitalization.

The method of claim 1, further comprising before step c: if the company is not rejected, comparing a interest income percentage calculated for the company with a permitted interest income percentage; and rejecting the company, if the calculated interest income percentage is greater or equal than the permitted interest income percentage.

The method of claim 1, wherein the restricted revenue includes interest income and income from lines of business disapproved by Shari'ah.

The method of claim 14, wherein the disapproved lines of business are determined by their Standard Industrial Classification codes.

The method of claim 1, wherein the combined financial and restricted ratio is the sum of the ratio of debt over assets and the percentage of interest and disapproved lines of business income.

The method of claim 1, wherein the combined financial and restricted ratio is the sum of the percentage of interest and disapproved lines of business income and the largest of the ratios of debt over assets and debt over market capitalization.

The method of claim 1, wherein the combined financial and restricted ratio is the sum of the percentage of interest and disapproved lines of business income and the ratio of debt over assets.

The method of claim 1, wherein the combined financial and restricted ratio is the sum of the percentage of interest and disapproved lines of business income and the ratio of debt over market capitalization.

The method of claim 1, further comprising after step f screening the company through a subjective filter, if the company is not already rejected.

A method of screening a company for compliance to Shari'ah-based principles, the method comprising:
screening the company for compliance to a permitted ratio for debt over assets and debt over market capitalization;
screening the company for compliance to a permitted ratio for accounts receivable over assets and accounts receivable over market capitalization;
screening the company for compliance to a permitted ratio for interest income over revenue;
screening the company for compliance to approved Standard Industrial Classification codes;
subsequently screening the company for compliance to a permitted ratio for the sum of interest income over revenue and disapproved revenue percentage;
subsequently screening the company for compliance to a permitted ratio for the sum of the percentage of interest income and disapproved lines of business income and the largest of the ratios of debt over assets and debt over market capitalization; and
subsequently screening the company through a subjective filter, wherein a subsequent screening of the company stops if the company is rejected by the previous screening.

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A method of screening a company for compliance to Shari' ah-based principles, the method comprising:
screening the company for compliance to a permitted ratio for debt over assets or debt over market capitalization;
screening the company for compliance to a permitted ratio for accounts receivable over assets or accounts receivable over market capitalization;
screening the company for compliance to a permitted ratio for interest income over revenue;
screening the company for compliance to approved Standard Industrial Classification codes;
subsequently screening the company for compliance to a permitted ratio for the sum of interest income over revenue and disapproved revenue percentage;
subsequently screening the company for compliance to a permitted ratio for the sum of the percentage of interest income and disapproved lines of business income and the ratio of debt over assets or debt over market capitalization; and
subsequently screening the company through a subjective filter, wherein a subsequent screening of the company stops if the company is rejected by the previous screening.

A method of managing, according to Shari' ah-based principles, an investment portfolio associated with a plurality of companies, the method comprising:
retrieving financial data about each company;
screening each company for compliance to permitted financial ratios and Standard Industrial Classification codes;
retrieving lines of business data about each company;
screening each company for compliance to permitted restricted ratios; screening each company for compliance to a permitted combined financial and restricted ratio;
retrieving subjective data about each company; and
screening each company for compliance to subjective criteria, wherein there is no subsequent screening if the company is rejected by the previous screening and wherein the retrieving steps are sequenced so that manual retrieval is minimized.

The method of claim 22, further comprising screening all compliant companies for performance enhancement.

A method of managing according to Shari'ah-based principles an investment portfolio associated with a plurality of companies, the method comprising:
retrieving automated computer retrievable data for each company and applying for each company an Shari' ah-based filter that uses the computer retrievable data;
retrieving manually retrievable data for the companies that have not been rejected by the previous application of the Shari' ah-based filter and re- applying the Shari' ah-based filter using the manually retrievable data.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 25 rejected under 35 U.S.C. 102(b) or in the alternative 35 U.S.C. 103(a) as being unpatentable over Alahill US Trading Equity Fund.

The prior art teaches a method of investing into Shariah compliant stocks via a mutual fund. Inherent in this teaching is a method for screening a company for compliance to Shari'ah-based principles (MPEP, ¶ 2144.01), the method comprising comparing a first financial ratio calculated for the company with a first permitted financial ratio and those dependent thereon. (See Fund Objectives. This prima facie rejection reads Shariah Principles to be an encompassing teaching for the limitations of this and subsequent claims. In support of this position, see the applicant's specification page 2, lines 9-24. MPEP ¶ 2131.03 (Prior art which teaches a range overlapping or touching the claimed range anticipates if the prior art range discloses the claimed range with sufficient specificity.)

The reference fails to expressly teach

means for retrieving and storing financial data obtained for each company;

means for screening each company using the financial data of the company and permitted financial ratios and Standard Industrial Classification codes ;

means for retrieving and storing lines of business data for each company; means for screening each company using the lines of business data of the company and permitted ratios including revenue from disapproved lines of business; means of retrieving and storing subjective data about each company; and

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means for screening each company using subjective data about the company and predetermined subjective criteria, wherein there is no subsequent screening if the company is rejected by the previous screening and wherein the means of retrieving data are sequenced so that the manual retrieval of data is minimized.

For the purposes of this prima facie office action, the claimed system is implicit in the disclosure of the prior art (MPEP ¶ 2144.01). In the alternative for the purposes of this prima facie office action, screening systems are routinely used by mutual funds and it would have been obvious to automate the process of the prior art as motivated by the need to increase efficiency (MPEP ¶ 2144.03).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Richard C Weisberger whose telephone number is 703 308 4408.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vince Millin can be reached on 703 308 1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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A handwritten signature in black ink, appearing to read 'Richard C. Weisberger', is positioned to the left of the printed name.

Richard C Weisberger
Primary Examiner
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